merlin

promoting supply chain excellence

Assessment Report
For

REMPLOY LIMITED

By Lorna Bainbridge

On behalf of emqc Ltd

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About the Organisation

Remploy Limited (Remploy) is currently Government owned, and since 1946 has been providing employment and support for disabled people and those experiencing complex barriers to work by providing sustainable employment opportunities. In the 1950s and 1960s they had a large network of factories employing disabled people, however, as the economic climate became more difficult for manufacturing and society began questioning whether it was right for disabled people to be employed in segregated workplaces, Remploy started developing employment services. The services aimed to support disabled people into mainstream jobs working alongside non-disabled colleagues.

Remploy's mission is to transform the lives of disabled people and those experiencing complex barriers, and they do that by: creating equality in employment, facilitating access to sustainable employment and careers and enabling people to achieve their ambitions and maximise their potential.

They directly deliver the Government's Work Choice programme through a grant scheme and support a number of prime providers with the Work Programme. In order to deliver an integrated range of employment services Remploy partners with local and national organisations across the public, private and third sectors, including disability organisations, specialist service providers, government agencies and departments, employers and local authorities.

Whilst Remploy have a wealth of experience and expertise when working with disabled people and those with complex needs, there is recognition of the need to partner with others to meet specific needs of customers. Consequently, a supply chain has been designed for the following programmes, which are based in the London area:

- Mental Health Working - funded by Camden & Islington Councils, where-by 75% is delivered by partners,
- Pathways to Positive Future - funded by the Greater London Authority (GLA), involves a partner delivering 33% of the programme across two contract package areas,
- Richmond Employment Services - funded by Richmond Borough Council, where-by 49% is delivered by partners,
- European Social Fund, Skills Support to Unemployed – funded by the Skills Funding Agency (ESF SSU SFA) South and West, where-by 75% delivered by partners.

Assessment Methodology

Remploy volunteered to undertake an initial assessment against the Merlin Standard to prepare and position the business for the future.

The assessment team comprised of Lorna Bainbridge (Lead Assessor) and one Assessor: Susan Smith, supported by a coordinator within Remploy. The Lead Assessor and coordinator started planning the assessment in August 2014 where-by the logistics of the assessment were identified and the on-site dates agreed.

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The Lead Assessor was in regular contact with the coordinator prior to the on-site to review the scope, schedule and logistics. Prior to the on-site activity all documentation required for the assessment; Self Assessment Questionnaire, Pre-Assessment Notes and schedules were shared within the agreed time-scale.

The assessment team spent one and a half-days on-site reviewing documentary evidence and undertaking interviews with 100% of the supply chain partners and one organisation who was unsuccessful in their bid to become a member of the supply chain. Interviews included Remploy's staff involved in the strategic and day-to-day management of the supply chains to enable the assessment team to gain a full understanding of the delivery model, including the systems and processes implemented.

Following the interviews verbal feedback was provided to the coordinator and others responsible for supply chain management, this indicated the findings against the principles of the Merlin Standard, areas of strength and those to consider for further improvement.

Assessment Outcome

Overall %	**63%**
Overall Outcome	Satisfactory
Supply Chain Design	Satisfactory
Commitment	Satisfactory
Conduct	Satisfactory
Review	Satisfactory

Strengths

The following provides an indication of the areas of particular strength, which appeared to be working well and viewed positively by Remploy's staff and Supply Chain Partners interviewed, and / or supported by observed and / or documentary evidence. The number in brackets cross-references the findings to the element and criteria of the Merlin Standard.

- Remploy engage with national, regional and local organisations outside of the formal supply chain network to provide support to customers and partners. Similarly, partners are encouraged to develop their own networks with the aim of being able to provide specialist support required by customers. (1a.3)

- Partners confirmed that communications before and during procurement activities were proactive and effective, and subsequently, communication throughout the life of the contract is frequent, two-way and open and honest. Similarly, partners made reference to the positive and supportive approach of Remploy staff, which was valued by them. (2a.1, 2a.5, 3a.3)

- Partners, including unsuccessful partners are advised of and actively encouraged to access new funding and business development opportunities at local, regional and national levels to build their capacity and deliver a range of services. (2b.2)

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Strengths Cont./

- Support is provided to Supply Chain Partners to ensure they are equipped with the necessary knowledge and skills to deliver the service to customers, including delivery models, mental health awareness, first aid, peer mentoring, shadowing, suicide awareness, etc. (2b.3)

- Partners opt to work with Remploy due to their desire to make a positive difference to the lives of people with disabilities and complex needs, and consequently feel aligned to the purpose of the organisation. Partners believe that the core principles; transparency, openness, honesty, support, dignity, respect and collaboration are behaviours that are practiced when working with Remploy and contribute to effective working relationships. (3a.1)

Areas for Improvement

Whilst Remploy demonstrated that it met the Merlin Standard the following areas could be considered for review and improvement based on feedback from Remploy's staff and / or Supply Chain Partners, observations and / or documentary evidence. The number in brackets cross-references the findings to the element and criteria of the Merlin Standard.

- Remploy gain a full understanding of the commissioner's objectives, identify where a supply chain is required to meet customer needs and consequently undertakes a range of research activities to support the design of a supply chain, which utilises public, private and third sector organisations. In the future, the lessons learnt should continually be applied and the database of preferred partners refreshed to ensure access to, and opportunities to work with a range of partner organisations to meet customer needs. (1a.1, 1a.2, 2a.1, 4a.5)

- Communication is effective throughout the procurement process and partners felt well supported. In the future, consideration could be made to the development of a communication timeline, which is shared with potential partners with the aim of managing their expectations effectively. This could be an element of the Business Development Framework being shared with partners. (2a.1, 2c.1)

- Remploy embarked upon the journey towards achieving Merlin accreditation twelve months ago, and following a gap analysis designed and implemented a Contract Management Framework. The framework outlines the strategies, systems and processes to be implemented to contribute to effective supply chain management. Consequently, in the future the communication of, and consistent application of the framework is critical to ensure consistent and effective approach to compliance and quality activities and performance management is experienced by partners. (2a.2, 2a.3, 2a.4, 3a.4, 3b.1, 3b.2, 3b.3, 3b.4, 3b.5, 3b.6, 3b.7, 3d.1, 3d.2)

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Areas for Improvement Cont./

- The development of partners is encouraged and supported, however, this could be further improved through the introduction of an annual health check to ensure sustainability, which may identify any further support required. In addition, where appropriate, consideration could be made to educating partners on the value of developing an annual Self Assessment Report (SAR) resulting in a Quality Improvement Plan (QIP) and / or support organisations on their journey towards **matrix** or Investors in People Standards. (2b.1, 3b.3, 4a.6)

- A range of learning and development needs are identified and met for staff within the supply chain, using a variety of resources. In the future consideration could be made to reviewing and evaluating the effectiveness of the delivery methods and the impact of specific activities on the performance of the individual and contract, which may result in alternative resources being used and / or further areas for development being identified. (2b.3)

- Every effort has been made to ensure contracting and funding has been managed effectively with partners, including the allocation of market share, negotiation of volumes / finance and performance expectations. However, to date the number of partners has been minimal and as a result, in the future, ensure lessons learnt are applied and continue improve their approach through open and honest communications. (2c.2, 2c.4, 2c.5, 2c.6)

- A contract is designed and shared with partners when entering into a formal relationship, which clearly defines the obligations of the partner and Remploy. The document, whilst straight-forward contains a range of information, of which some partners were unable to recollect, for example, management fee, dispute resolution, etc. Consequently, in the future, consideration could be made to fully reviewing the contents of the contract with the partner prior to signing to ensure a full understanding of the contractual agreement. (2c.3, 2c.8, 3c.2, 3c.3)

- A number of partners confirmed that the transfer of funds was effective and in line with the terms and conditions, and on some occasions a payment had been made in advance, however, late payments were inferred. Consequently, in the future consideration could be made to monitoring payments with new partners and ensure all barriers are removed promptly to ensure timely payment. (2c.6, 2c.7)

- The provision of effective information, advice and guidance delivered by partners is quality assured through the **matrix** Standard, however, in the future a far more robust approach could be taken, for example, observation of service delivery by partner's delivery staff, reviewing internal observations, etc. (3b.3)

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Areas for Improvement Cont./

- Partners made reference to the opportunities for sharing good practice through the provider forum and the contract manager, which are proving to be effective. However, consideration could be made to consulting with partners to define and agree the difference between excellent and best practice, and alternative ways of sharing, for example, case studies, success stories, etc. (3b.8)

- Variations to contract are agreed with partners. However, there was evidence of some delays in confirming the change, as a result, In the future, ensure these are undertaken on a timely basis. (3c.1, 3d.3)

- Currently, partners have a level of understanding relating to value for money in terms of the impact of activities on the supply chain and customers, for example, sharing resources, working in collaboration, etc. however, this could be further improved by agreeing and sharing a clear definition of the term across the supply chains. (3d.5)

- Measurement of distance travelled by customers currently takes place in different ways, Remploy have provided training on Outcomes Star, and as a result could benefit from reviewing the use of the system and / or adopting other approaches, which would track the progress of customers against outcomes and soft targets. (3.6)

- The data collected in terms of diversity and equality is analysed and used by partners, which has resulted in some collaborative working to meet the needs of specific customer groups. In the future, encourage all partners to fully interrogate the data and use it to make improvements and contribute to the design of the supply chain. (3e.2, 3e.3)

- Remploy seeks feedback from a range of stakeholders to contribute to informing and improving practices, however, to date these have tended to be informal approaches. Similarly, whilst partners are engaged in the annual self-assessment review, resulting in a SAR and the development of a Quality Improvement Plan (QIP) it tends to be informally, and as a result, they fail to realise and appreciate how they contribute. As a result, in the future, more formal approaches could be adopted to gain feedback from partners and / or explain how their feedback is to be used. In addition, consideration could be made to sharing the QIP and future Self Assessment Questionnaires (SAQ) for Merlin with their partners to gain feedback on, and buy into the areas identified for improvement. (4a.1, 4a.2)

- Whilst the Contract Management Framework provides a structure to ensure effective supply chain management with partners delivering an end-to-end service and / or specific aspects of the service. In the future, consideration could be made to adopting a consistent approach to quality assuring and performance managing those organisations providing an ad-hoc service. (3b.1, 3b.2, 3b.3, 3b.4, 3b.5, 3b.6, 3b.7, 3d.2)

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Areas Requiring Further Development

Remploy has successfully met all the requirements of the Merlin Standard, as described in the assessment outcome. As a result, there are no areas requiring further development identified throughout this assessment.

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Assessment Findings

1 Supply Chain Design

1a) Supply chain design

Remploy's primary aim is to provide employment and support for disabled people and those experiencing complex barriers to work by providing sustainable employment opportunities. Consequently, delivering the Work Choice programme and working with primes to execute the Work Programme provides them with the opportunity to work with the identified customer group and contribute to their purpose.

Over the years, the organisation has bid and been successful in gaining other contracts, which have contributed to their primary aim, for which they had the necessary resources and expertise in-house to deliver. However, in recent years due to the changing needs of the customer groups, Remploy have recognised that additional resources and expertise is required to continue to contribute to their purpose, and as a result they have started to work with partners to deliver specific contracts, either partly of wholly.

A full understanding of the commissioner's objectives and contractual requirements is gained prior to bidding for any contracting opportunities, and research is undertaken by the business development team to ensure the contract contributes to the aim of Remploy. Initially, desktop research is undertaken to identify and fully understand the customer group/s and indicative flow, demographics and how to reach out to the potential customers, and the various stakeholders involved, for example, Local Authorities (LAs), Job Centre Plus (JCP), Colleges, health related organisations, disability groups, etc.

In the past, local meetings have been organised with appropriate stakeholders with the aim of gaining additional intelligence to influence the design of the service delivery and supply chain. This approach proved to be beneficial when tendering for a recent contract as the feedback indicated that to be a successful prime, local presence was required and consequently, the bid was co-hosted.

The business development team also works closely with the local branch / business managers responsible for the internal delivery of contracts to gain local information. In addition, members of the team attend national and regional meetings with various stakeholders, for examples, LAs, JCPs, Colleges, NHS, etc. to gain a broader understanding of the customer group/s, including the potential requirements.

Remploy seeks to work with partners who have the resources and expertise within a geographical area, which will contribute to the commissioner's objectives and address the needs of the customer group/s. Consideration is made to working with partners from the public, private and third sector; currently due to the nature of the contracts the supply chain consists of 40% private and 60% third sector.

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In the future, Remploy should continue to be mindful of the need to identify and work with partners from public, private and third sector, and as a result ensure the lessons learnt from previous bidding activities are reflected and applied.

A database of preferred suppliers has been developed over the years, which comprises of current and potential partner organisations from the public, private and third sectors. In the future (if the use of supply chains increase) it will be critical that this is cleansed and refreshed frequently to ensure access to appropriate partners in a timely manner in the event of a partner opting to terminate a contract, reducing volumes, etc.

Partners are actively encouraged to develop their own network with the aim of delivering comprehensive support to customers, for example, drug and alcohol support groups, dyslexia specialists, mental health and other health related groups, etc.

At local level, contract managers, staff and partners are actively encouraged to network and learn from LAs, JCPs, Colleges, careers advisory services, local health related and disability forums, etc. once again with the aim of identifying and providing the support required by the customer group.

Remploy's senior leaders actively network, source information and lobby other stakeholders, including Members of Parliament, DWP and the Employment Related Services Association (ERSA) forums; disability, supply chain and human resource, which also contribute to influencing the design of future services to support people with disabilities and those experiencing barriers to employment.

Currently, Remploy are undertaking a pilot project in conjunction with DWP, which has resulted in working with over fifty local organisations providing specialist services to customers with a range of mental and physical disabilities. This approach further demonstrates that Remploy recognises the need to engage and work with others to ensure appropriate support is provided to the customer group/s.

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2 Commitment

2a) Collaboration, cooperation and communication

Communication systems have been developed with the aim of encouraging prospective partners to submit an Expression of Interest (EOI) to work with Remploy, for example, the Remploy website promotes the opportunity to partner with them and the Merlin EOI is also accepted. The supply chain team will email the database of preferred suppliers with opportunities to partner with them on specific contracts. Partners recommend others, and through the range of networking activities potential partners are identified and encouraged to submit the first stage EOI.

Communication is on going throughout the procurement process through email, website updates, meetings and verbal feedback. The supply chain and implementation teams work closely with partners through to contract live to ensure they have the necessary resources to deliver the service, at which stage the quality manager, contract manager and co-ordinators start to develop a relationship with the partner.

The Contract Management Framework has provided a formal approach to communications, which also indicates the frequency and requirements for compliance, quality and performance management. Frequent reference was made to: *"Communications have improved greatly over the last 9 months."*

Partners confirmed that they are consulted regarding the design of systems and processes to ensure the service is tailored to meet the needs of the customer group and the paperwork addresses the requirements of all stakeholders. Previously, consultation tended to be undertaken in isolation with partners, and continues to be undertaken in this way to ensure customer needs are met. However, the introduction of the quarterly provider forum provides opportunities for partners to be consulted as a group and on a wider range of topics, for example, some explained that they had been involved in the development of the Contract Management Framework and the Management Information (MI) system. Some partner comments included:
"Since Merlin, things have really turned around with Remploy listening a lot more and being more responsive."
"Worked together to get to grips with paperwork."
"We are in control of designing the training for our clients – that's our specialism"

Remploy work in collaboration with partners to deliver services, for example, sharing premises and signposting customers with complex needs. They recognise the importance of partners working together with the aim of providing the best service to the customer, and consequently, partners have been signposted to others to support specific customer needs.

The introduction of the quarterly provider forum has provided an opportunity for partners to network and gain an understanding of the services being delivered across the supply chains. Consequently, this has resulted in job outcomes being improved as a result of partners collaborating on training and work experience. Some partner comments included:
"Collaboration has moved on tremendously."

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"It is discussed at the provider forum and we now have a very fruitful relationship with another provider."

Partners have a clear understanding of the roles; responsibilities and expectations of all stakeholders, including the business development, supply chain and implementation teams, contract manager, co-ordinator, administration, etc. and believe the relationships have evolved and strengthened following the effective recruitment of key personnel; contract manager.

Partners confirmed that the communications had improved over the past nine-months through daily and weekly telephone calls and monthly contract reviews with the contract manager, fortnightly audits undertaken by co-ordinators, the introduction of the provider forum and easy access to gain administrative support. Partners believe that communication is open and honest, and over the past months they are more confident to talk about anything and everything. Some partner comments included:
"We always get something in writing back after a meeting within 48 hours to help focus action."
"The Contract Manager is always available."
"Open and honest – again has improved."
"There is a healthy balance between formal and informal and day-to-day there is an excellent relationship that is productive."

2b) Developing supply chain partners

Partners receive extensive support to ensure they are equipped and able to implement the systems and procedures required to deliver the service, including the quality and compliance requirements. In addition, access is provided to a suite of learning and development activities, for example, safeguarding, health and safety, security, etc. to ensure legal and regulatory requirements are met and in line with the contract requirements.

Partners made reference to the support received throughout due diligence, for example, policies being fit for purpose and aligned to those of Remploy. Whilst due diligence provided assurance that partner organisations were sustainable and financially viable, consideration could be made to introducing an annual health check to ensure sustainability, this may identify any further support required. In addition, some partners may value the support to develop an annual SAR and QIP, and / or supporting them on their journey towards **matrix** or Investors in People Standards. One partner comment included:
"They've helped us understand the importance of SAR writing."

Where appropriate, Remploy utilise partners across the service delivery with the aim of increasing their financial streams. Remploy identify and promote additional funding / financial streams and business opportunities, and include those that were unsuccessful, but remain on the preferred supplier database by email and / or meetings. In addition, reference was made to the 'market warning' events for the new European Social Funding (ESF) opportunities. Some partner comments included:
"Remploy are very enabling and open to giving us new opportunities."
"There have been examples of where we've chosen to use the information from Remploy about funding opportunities to go for bids on our own and there was no negative response from them."

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Remploy provide staff within the supply chain with access to a range of learning and development opportunities to support the delivery of the service, for example, mental health awareness, peer mentoring, suicide awareness, '27 how to guides for working with people with disabilities', etc.

More recently the provider forums have provided an element of learning and development and sharing best practice, which partners are finding beneficial, and reference was made to the shadowing opportunities and support provided by the contract manager. Some partner comments included:
"They offered us some training initially on paper work systems."
"The supply chain manager is particularly encouraging."
"Remploy shares information about training opportunities at contract and partnership meetings."

Whilst there is a broad range of learning and development needs being identified and met, using a variety of resources, consideration could be made to reviewing and evaluating the effectiveness of the delivery methods and the impact on the performance of the individual and contract, which may result in alternative resources being used and / or further areas for development being identified.

2c) Contracting and funding

The development and implementation of the Business Development Framework and Introducing an Opportunity to Review provide Remploy with a structure to ensure the procurement processes across all contracts are consistent, fair and transparent.

Partners confirmed that they received appropriate support throughout the procurement activities and due to the communications from Remploy they believe it was a fair and transparent process. A simple scoring mechanism is used which RAG rates (red, amber, green) potential partners and indicates those that are successful. An offer letter indicates the intent to partner, whilst those that are unsuccessful are advised of the outcome, and upon request can gain feedback to prepare for future EOI submissions.

Due diligence is undertaken with all partners to ensure they are financially viable and sustainable entities, and to ensure that they are not completely reliant on the income from Remploy. Whilst the funding / payment models typically reflect those of the commissioner, for example, staged payments / payment by results, there was evidence that Remploy had put in additional payments to lessen the impact of payment by results, as they had a true understanding of the cost to deliver the service. Consequently partners believe that funding is fair and proportionate, and every effort is made not to cause undue financial risk.

All partners gain a contract referencing the terms and conditions, obligations and expectations, which is populated as the partner progresses through contract implementation. Partners confirmed receipt of the contract and felt it was appropriate, readable and understandable. A condensed copy of the commissioner's contract is provided to partners, once again to reflect an open and transparent approach to contracting with partners.

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To date Remploy have contracted with very few partners, and those partners have been selected based on their expertise, resources and location, consequently, they believe that the allocation of market share was viable and transparent.

Partners confirmed that volumes, funding / finance and performance expectations were negotiated and agreed, and referenced in the contract, which assured a clear understanding of all aspects of partnering with Remploy. Partners are confident to re-negotiate on a monthly / three-monthly timeframe to reflect their performance, which is undertaken with the contract manager.

As stated previously, every effort has been made to ensure contracting and funding has been managed effectively with partners. However, to date the number of partners has been minimal and as a result, in the future, when working with a larger supply chain it will be necessary have a consistent approach across all supply chains.

Remploy takes into consideration the requirements of partners in pre and post contract award processes and payment structures, which was evidenced through the introduction of a service fee for one partner and an advance payment for another to support the management of their cash flow.

80% of partners confirmed that the transfer of funds / finance had been made in line with the terms and conditions, and on occasions additional payments had been made, within the timeframe agreed. Some partners made reference to the performance review meetings with the contract manager, which provided the opportunity to reconcile performance and claims to ensure accuracy of payment. In the future, consideration could be made to monitoring payments and removing barriers to payment promptly at the start of contracting. Some partner comments included:
"Remploy are good at honouring commitments and are the most prompt organisation we work with at payment."
"They are good on payments and provide us with a service fee that is always paid in advance."
"My general feeling is positive – they are the best of our primes at paying us."

Some partners recognised that there was a management fee, and a number confirmed it was value for money due to the risk taken by Remploy as the prime and the services gained, for example, compliance and quality audits, performance reviews, on-going support from the contract manager and co-ordinator, development opportunities, job search, regular communications, etc. One partner comment included:
"Yes it is good value for money and we like being associated with the Remploy brand."

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3 Conduct

3a) Demonstrating commercial and business integrity

Partners opt to work with Remploy based on their own desire to support and improve the opportunities for disabled and disadvantaged people. Reference was made to the core principles, which govern the way the supply chain operates, including transparency, openness, honesty, support, dignity, respect, keeping promise and collaboration.

Partners believe the core principles are shared through the on-going relationship rather than being explicitly communicated and reviewed. Some partner comments included:
"There is a strong alignment and Remploy's partnership means we can extend the range of services that we offer to meet the core principles."
"We're a small company and they respect that."

Remploy has flexible, clear and effective strategies to manage the TUPE process, and seeks professional advice where appropriate. In the past, Remploy have been proactive in negotiating the cover of TUPE costs with the commissioner to protect the supply chain, partners and staff and confirmation was provided that the TUPE strategies would be mobilised, where appropriate, in the future. One senior leader made the following comment:
"It's about been open and honest, treating people as you would want to be treated."

Partners confirmed that interactions with Remploy staff had improved over the past nine-months, and consequently felt that they were consistently positive and supportive, which was evidenced through the accessibility and support gained from the quality manager, contract manager, co-ordinator and administration staff. Some partner comments included:
"Really pleased with the amount of support offered."
"Nothing is too much bother for them, right from the start there has been help and support."
"They are a nice team – referrals are appropriate and they do a good job at motivating people."

Remploy ensure that partners continue to meet regulatory and legislative requirements through undertaking a review of the policies on an annual basis. Evidence indicated that some policies had been updated to reflect the changes in safeguarding requirements, for example, change to Disclosure and Barring Service.

Changes to legislative and regulatory requirements are communicated through email, provider forum and / or the monthly contract review. Subsequently, the understanding, implementation and adherence to the changes are reviewed throughout the meeting with the contract manager.

3b) Quality assurance and compliance

The Contract Management Framework provides partners with an outline of the compliance, quality assurance and performance management activities, which are given equal importance by Remploy. The framework provides partners with an explanation of the RAG rating system and resultant frequency of audit / visit based on the outcome.
Partners clearly understood the compliance audits and quality assurance activities to ensure they meet the needs of the commissioner and Remploy. Some partner comments included:

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"We feel they have learned to be proportionate when working with smaller organisations."
"The process has enabled us as an organisation to extend our reach through being monitored as part of the Remploy supply chain."

The findings of the audit and quality activities are documented in a report and subsequently reviewed at the next meeting with the contract manager to ensure action has been taken, for example, completion of documentation, signatures and dates completed, introducing a booking system to reduce the waiting time customers were experiencing to access IT, etc.

Remploy endeavour to provide information, advice and guidance in a timely and relevant manner, for example, reports following compliance, quality and performance activities provided with 48hours, meeting minutes distributed within 48 hours. The organisation is accredited with the **matrix** Standard, which provides a level of quality assurance regarding the information, advice and guidance provided to partners and customers.

The effectiveness of the provision of information, advice and guidance provided by partner organisations is reviewed throughout due diligence, for example, checking qualifications and competency levels of staff, and if not accredited they are encouraged to work towards the achievement of the **matrix** Standard. In the future, consideration could be made to proactively supporting partner organisations to achieve the **matrix** Standard.

Throughout the monthly contract review the Information provided by partners to its customers is quality assured to ensure currency and accuracy, similarly, any staff changes are reviewed to ensure competency to deliver. In the future, consideration could be made to undertaking observation of delivery staff and / or reviewing the observation findings completed internally to further quality assure the advice and guidance provided.

The policies, procedures and plans to ensure and maintain the security of data and assets are reviewed throughout due diligence, and if appropriate support / recommendations are provided to the partner to ensure compliance with DWP and other commissioner's requirements. Consideration is also made to contingency plans to protect the security of data in the event of IT failure. Subsequently, throughout the monthly contract review and daily activities undertaken the implementation of the security plan, specifically in relation to customer data is tested and areas of none-compliance documented in the report, for example, use of WinZip files, password protection, etc.

The security manager undertakes an annual audit of all internal delivery sites to review the security of data and assets, and as a result, a similar approach is to be adopted with partner sites. Consequently, in the future a consistent approach to undertaking the audit and reviewing findings will be reviewed throughout the next Merlin assessment.

Health and safety policies and procedures are collected and signed off as part of the due diligence process, and subsequently tested through discussion and observation at the monthly contract meeting.

An annual health and safety audit has been introduced, which consists of 135 questions, which RAG rates the partner and provides an indication of the level of compliance, actions to

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be taken to meet the regulatory requirements and determines the frequency of future audits. A consistent approach to undertaking the audit and reviewing findings will be reviewed throughout the next Merlin assessment.

Safeguarding policies and procedures are collected as part of the due diligence process and if required support is provided to develop a robust approach. Subsequently, policies are reviewed to ensure they reflect changes in legislation, and throughout the monthly contract review discussion incorporates any issues relating to the safeguarding of customers. Remploy have an appointed safeguarding officer who is accessible to the partners, and partners clearly understand the processes to be implemented in the event of any safeguarding concerns.

The safeguarding officer plans to undertake an annual visit to partner sites to review policies and procedures with delivery staff, and consequently, in the future a consistent approach to undertaking the audit and reviewing findings will be tested throughout the next Merlin assessment.

Remploy have clear policies and processes in place to ensure environmental sustainability management through the use of Sustainable Operations on the Government Estate (SOGE) targets. Partners submit their environmental sustainable plans throughout due diligence and they actively encouraged to set targets to reduce energy, carbon emissions, waste, etc.

An environmental compliance questionnaire has been shared with partners, consisting of 19 questions, which highlights areas of compliance and non-compliance, and contributes to the development of future environmental plans and targets. Consequently, in the future a consistent approach to completing the questionnaire, reviewing the findings and achievements against the targets will be reviewed throughout the next Merlin assessment.

The contract manager identifies, shares and monitors good practice within the supply chains, including the internal delivery team, and reviews with partners throughout the contract meetings. The introduction of the quarterly provider forums provides the opportunity to share good practice, which has proven to be successful, for example, introducing specific qualifications; health and safety, food hygiene, etc. to move people closer to the job market.

In addition, sharing of minutes from meetings, job shadowing and peer mentoring have provided delivery staff with the opportunity to share good practice. In the future, consideration could be made to consulting with partners to define and agree the difference between excellent and best practice, and establish alternative ways of sharing good / excellent practice, for example, case studies, success stories, etc. One partner comment included:
"I've learned a lot from peer sessions to standardise paperwork and how we complete it."

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3c) Honouring commitments

A core principle by which Remploy undertake business is '*keeping promise*', and consequently, every effort is made to ensure negotiations are open and that post-contract finance and contracting arrangements reflect any pre-contract agreements. 80% of partners confirmed that commitments had been honoured, as stated previously, late payment was inferred. One partner comment included:
"It is exactly as agreed with Remploy providing the learner referrals as agreed."

Similarly, 80% of partners confirmed that any variations to the contract were negotiated and agreed, but on occasions the formal confirmation regarding the change had been untimely, consequently, consideration could be made to reviewing the timeliness of some communications to meet all stakeholder expectations.

The dispute resolution process is outlined in the contract and the Contract Management Framework, and whilst some partners are aware of the process evidence indicated that some operational staff were less aware. Consequently, consideration could be made to checking partner's internal communications to ensure all stakeholders clearly understand key procedures, including the complaints procedure.

Some partners confirmed that due to the changes made over the last nine-months and the development of positive and supportive working relationships that they are more confident to discuss anything and everything, including grievances, and believe these would be addressed promptly. One partner comment included:
"We are always able to be frank and so we haven't felt the need to use it."

Members of the Remploy senior leadership team stated that they would fully respect the decisions made as a result of the Merlin Mediation Service, if it were to be deemed to have not acted in accordance with the principles of the Merlin Standard.

Whilst reference to the Merlin Mediation Service is made in the contract and Contract Management Framework, some partners failed to recollect the availability of the service, consequently, if appropriate, ensure partners are fully aware of the options available if they believe Remploy fail to have acted in accordance with the principles of the Merlin Standard.

The contractual documentation and on-going communications with partners ensure that all parties are aware of each other's expectations before, during and after contract award, and throughout the life of the contract.

3d) Performance

Historically, due to the size of the supply chains the opportunities for collaborative working has been minimal, however, every effort has been made to ensure partners work effectively with the internal delivery teams and consequently have shared premises on occasions. The introduction of the quarterly provider forum now provides the opportunity for partners to meet, share good practice, learn from each other and more recently work together to improve the opportunities for their customers.

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The Contract Management Framework provides a structure to ensure performance is reviewed and monitored within an agreed timescale, with a focus of supporting the performance of the partners to enable all stakeholders to be are successful. Over the past nine-months partners confirmed that they have experienced a positive and supportive monthly contract meeting, which has provided them with the opportunity to review performance, recognise and support innovation and raise concerns and issues, including those relating to commissioning. One partner comment included:
"Sometimes there's issues but usually resolved quickly."

Some partners have experienced performance improvement plans, however, once again these partners confirmed that the approach was very supportive and beneficial with the ultimate aim of all parties being successful. Following each contract meeting a report of the findings are emailed to the partner within 48hours and subsequently actions to be undertaken are followed up within the agreed timescale. One partner comment included:
"They drive on performance but do understand when we have issues."

The contract and subsequent communications, including the monthly contract review and action plan clearly outlines the performance expectations and measurements appropriate to the service delivered. As previously stated, whilst contract variations have been discussed and agreed in principle, the formal communication has been untimely on occasions. Consequently, a review of the timeline for communications of this nature could be undertaken and improved to meet partner expectations. One partner comment included:
"Clear performance and contract expectations that are regularly reviewed through meetings."

Partners have been involved in the design of the MI system over recent months, which has evolved and as a result they believe it provides consistent, accurate and appropriate performance information to drive performance. The MI is a visual tool and provides an overall RAG rating for each partner, and indicates their performance and quality rating as separate entities, which links to the Contract Management Framework. Some partner comments included:
"It feels more like a dialogue and there is the reassurance that MI now ties up."
"There is a reassurance regarding the MI now."

Some partners believe that value for money is provided through the provision of a service, which progresses customers closer to the job market and ultimately results in a job outcome within a specific timescale, and others made reference to working collaboratively, sharing premises, etc. Whilst these examples infer value for money, in the future consideration could be made to partners agreeing and sharing a clear definition of the term value for money and the positive impact on the supply chain and customer.

Measurement of distance travelled by customers tends to be reliant on monitoring customers against the key milestones, for example, 13week sustainment, job outcome, etc. However, there was evidence that some partners had designed their own tracking system, which also measured the soft outcomes, which Remploy recognise and make payments against.

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Remploy have provided training on Outcomes Star, and as a result would benefit from reviewing the use of the system and / or adopting other approaches, for example, undertaking a health check at the start, mid-point and end of the customer journey to fully appreciate the distance travelled.

3e) Promoting diversity and equality

Diversity and equality is at the core of the work undertaken by Remploy. They are committed to equality of opportunity in all areas of employment and business. Customers and staff are encouraged to reach their full potential, regardless of disability, age, gender, transgender, sexual orientation, marital status, parental status, race, colour, nationality, ethnic origin, political affiliation, HIV status, religion or belief.

They recognise that many people experience different barriers to employment and, as an employer of disabled people providing employment related services to disabled people and employers, Remploy realise they have a responsibility to identify and address these barriers.

As previously stated, partners opt to work with Remploy based on the core principles and desire to make a difference to disabled and disadvantaged people. Partner's policies and procedures relating to diversity and equality are reviewed throughout due diligence to ensure they are robust and aligned to their own commitment to diversity and equality.

Due to the nature of the contracts diversity and equality is promoted at every opportunity across the supply chains, data is collected and analysed by partners to identify issues faced by customers and gaps in the provision of the service. For example, mental health related issues have been broken down into many types, and consequently, gaps in the provision being identified, which has resulted in working in partners working collaboratively and with wider networks to meet the needs of specific customer groups. In the future, encourage all partners to fully interrogate the data and use it to make improvements to the delivery of the services across the supply chains and contribute to the design of the supply chains.

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4 Review

4a) Supply chain review

Feedback is gained through external assessments and audits, for example, **matrix**, Investors in People, Investors in Diversity and prime organisations for Work Programme with the aim of using the information to improve the service delivery, meet the commissioner's objectives and improve people management strategies. Recently, an internal PAT audit has been undertaken with the aim of identifying areas of non-compliance.

Feedback is gained from partners through the monthly contract meeting and quarterly provider forum, which provides an indication of areas for improvement. In addition, the 'you said, we did' approach is just starting to gain momentum, having being, as one partner commented; *"hit and* miss *in the past".* Whilst these feedback mechanisms are used, partners often fail to appreciate that feedback is gained for a specific purpose. Consequently, consideration could be made to introducing more formal approaches to gaining feedback from partners and / or if informal approaches continue ensure they understand that feedback is being sought for a specific purpose.

Networking with the LAs, JCPs, Colleges, careers advisory services, local health related and disability forums, etc. provides a forum to gain feedback in relation to the current delivery strategy, gaps in provision and future service requirements.

Remploy engage partners in the development of the SAR and QIP, which has resulted in areas for improvement being identified, for example, consistent approach to contract management, however, it tends to be informally, and as a result, they fail to realise that they contribute. As a result, in the future, more formal approaches could be adopted and / or explain how their feedback is to be used. In addition, consideration could be made to sharing the QIP and future Self Assessment Questionnaires (SAQ) for Merlin with their partners to gain feedback on and buy-in to the areas identified for improvement.

Partners were informed of the wider policy and strategy of the commissioner prior to embarking upon the EOI process, and consequently gained a clear understanding of the expectations. Throughout the life of the contract/s some partners have been actively encouraged to attend meetings with the commissioner with the aim of gaining timely communications regarding the wider policy and strategy information. Consequently partners ensure they continue to be strategically aligned to the wider policy however, this is not consistent practice. Consequently, the other key methods used have been meetings, newsletters and emails, which have been followed up with partners to ensure understanding and alignment of the service.

Supply chains recognise the impact they have on the wider social objectives / policy intent of the commissioner's; they are increasing people's awareness of mental issues and improving people's mental health through to helping people back into work and supporting them to stay in work. In addition, they are creating personal, social and financial outcomes, developing people's knowledge and skills and general ability to live a fulfilling, healthy life.

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Some partner comments included:
"Getting a job is good for your mental health but then supporting someone to stay in work promotes mental wellbeing."
"Provide accredited qualifications enabling people who have been made redundant to get back into the labour market."

Remploy promotes health and safety and health and wellbeing to staff, customers and partners with the aim of providing a safe environment where-by people can achieve their full potential. The accreditation of the Gold Investors in People indicates that work-life balance is valued across the organisation, and people are well supported to undertake their role irrespective of being able bodied or disabled.

Remploy have made positive steps to contribute to environmental sustainability, having set targets to reduce the use of energy and carbon footprint, and introducing strategies to contribute to the targets, for example, webinars, gotomeeting, etc. Similarly, partners have been encouraged to work towards environment sustainable targets and have a clear indication of areas of non-compliance to be addressed and contribute to environmental sustainability as a result of the environmental compliance questionnaire.

Throughout the life of contracts Remploy continue to seek and accept EOIs from potential partners to continually build the database of preferred suppliers, which provides access to potential partners to address gaps in provision and back-fill in the event of a partner leaving the supply chain. The use of wider networks on an ad-hoc basis provides flexibility to the delivery of the service to meet the needs of customer group/s.

Evidence throughout the assessment indicated that changes had been made to a supply chain due to a partner opting out of the contract prior to contract live, whilst an existing partner was approached to deliver an additional service, due to having the resources and expertise, which has contributed to the development of the organisation.

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Conclusion

Remploy Limited have met the requirements of the Merlin Standard, as partners have confirmed that over the past nine-months the behaviours have been positive and supportive, and communication open and honest, resulting in good relationships being created.

The focus on Merlin accreditation over the past year, along with the development of the Contract Management Framework has provided a structure for the organisation to work towards. The challenge in the future is to maintain and improve current systems and processes and continue to build the trust and confidence of the partners. Similarly, whilst the Contract Management Framework provides a structure to ensure effective supply chain management with partners delivering an end-to-end service and / or specific aspects of the service, it is recommended that a consistent approach to quality assuring and performance managing those organisations providing an ad-hoc service is considered and implemented.

Remploy embarked upon the Merlin journey to prepare and position the organisation for the future, which includes a change of ownership in 2015. Consequently, it will be critical to uphold the current behaviours and practices with the supply chains in place, and manage their expectations throughout a period of change.

In the event of new supply chains being designed it is strongly recommended that the Merlin Standard and Contract Management Framework provide the structure to effectively manage partners, and implement the plan, do and review cycle.

In December 2016 Remploy will be expected to be re-accredited with the Merlin standard, if it is a prime provider for DWP or any other commissioner / funder mandating organisations to achieve the Standard, or it opts to continue the accreditation under the voluntary arrangement. However, the organisation may opt to undertake a health check in December 2015 to review progress against the recommendations made as a result of this assessment.

It should be noted, that if, as a result of the change in ownership substantial re-structure and change takes place, which impacts of the supply chains a strategic review will be deemed necessary within a six-month period.

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